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# **Board of County Commissioners Agenda Request 16**

Date of Meeting:

January 25, 2005

**Date Submitted:** 

January 19, 2005

To:

Honorable Chairman and Members of the Board

From:

Parwez Alam, County Administrator

Vincent S. Long, Assistant County Administrator

Subject:

Approval of the State Housing Initiatives Partnership Local Housing Assistance Plan and the

Department of Community Affairs Community Development Block Grant Housing Assistance

Plan for Fiscal Years

2005-2008

### Statement of Issue:

This item seeks Board approval and adoption of the required State Housing Initiatives Partnership Local Housing Assistance Plan (Attachment # 1) and Department of Community Affairs (DCA) Community Development Block Grant Housing Assistance Plan (Attachment # 2), for Fiscal Years 2005-2008.

## Background:

In 1993, the Florida Legislature established the State Housing Initiatives Partnership (SHIP) Program, which makes available an allocation of funds for affordable housing. SHIP funds are used to fund the County's affordable housing programs and, used in conjunction with CDBG grant funds, allow the Housing Program to assist more clients. Pursuant to Florida Statutes, Chapter 420, the Board authorized staff to develop Leon County's first Local Housing Assistance Plan (LHAP) in February 1993, which governs the expenditure of SHIP funds for three (3) fiscal years.

In 1997, the Florida Legislature amended Ch. 420, F.S., requiring local governments to develop and submit a consolidated Housing Assistance Plan, reflecting the state requirements, where a new Local Housing Assistance Plan has to be established triennially. The triennial LHAP is submitted to the Florida Housing Finance Corporation by June of the third year. The LHAP can be amended by the local governments as the need arises. The current 2002-2005 LHAP was adopted by the Board on April 16, 2002 and amended on February 25, 2003 to include one new strategy -Affordable Rental Units Strategy.

At the November 27, 2001 regular meeting, the Board approved the acceptance of the 2001 CDBG award for \$750,000. This grant award is used for rehabilitation of deteriorated housing of very low and low-income homeowners who reside in the unincorporated areas of the County. The DCA requires the County adopt a CDBG Housing Assistance Plan upon acceptance of the grant award. To ensure that all clients receive the same benefits, the current CDBG Housing Assistance Plan is updated to match the SHIP Local Housing Assistance Plan limits. The current CDBG Housing Assistance Plan replaced the CDBG Rehabilitation, Anti-displacement and Relocation Policy 97-8, adopted by the Board on September 19, 1993, and amended July 1996, February 1997, March 1999, and November 1999. The Housing Assistance Plan incorporates the CDBG Rehabilitation, Anti-displacement and Relocation Policy.

On August 20, 2004, the Housing Finance Authority (HFA), acting in its capacity as the SHIP Advisory Council and the CDBG Citizen's Task Force, reviewed the proposed 2005-2008 SHIP Local Housing Assistance Plan and DCA CDBG Housing Assistance Plan, accepted both plans, and recommended Board approval. Minutes from both meetings are shown as Attachment #3 and #4.

Analysis:

In accordance with the DCA 2001 Small Cities Community Development Block Grant requirement, the County must adopt a CDBG Housing Assistance Plan that adheres to the guidelines and criteria set by DCA. The County must follow the HAP when implementing any housing activities using CDBG grant funding.

The Housing Plans focus on single-family home ownership, including home rehabilitation, in the unincorporated areas of Leon County. Funding priority is placed on very low and low-income individuals or households. Due to the increased cost of construction and building materials, the County is required to increase the limits for the mandatory SHIP Local Housing Assistance Plan and CDBG Housing Assistance Plan with the fiscal years 2005-2008 submission, as reflected in the attached. The SHIP Local Housing Assistance Plan and the DCA CDBG Housing Assistance Plan will have the following strategies and maximum limitations per strategy:

Strategies	Previous Limits	Proposed Limits
ou augus	\$37,000 (SHIP) + \$25,000 (CDBG) =	\$75,000 (Limi
Home Replacement	\$62,000.00	for both SHIP and CDBG) \$50,000
Home Rehabilitation	\$37,000 (SHIP) \$25,000 (CDBG)	(Limit for both SHIP and CDBG)
Down Payment Assistance with Construction	\$10,000 (VLI) \$7,500 (LI) \$5,000 (MOD)	\$15,000 (VLI) \$10,000 (LI) \$7,500 (MOD)
Down Payment Assistance without Construction	\$5,000	\$7,500
Down Payment Assistance Purchase Price	\$106,365 (New Homes) \$90,055 (Existing Homes)	\$166,000 (New and Existing Homes)
Disaster Mitigation	\$10,000 \$1,500 (Neighborhood Mitigation)	\$10,000 (Disaster Mitigation and Disaster Neighborhood Mitigation)
Transitional and Emergency Housing	\$25,000 per unit or apartment	\$25,000 per unit or apartment
Development of Housing Rental Units	\$100,000	\$100,000
Housing Counseling and Outreach Lien Stipulation	\$35,000 \$0.00 - \$20,000 = (5 yrs SHIP and CDBG) \$20,001 and above = (20 yrs SHIP and 5 yrs CDBG)	\$100,000 \$0.00 - \$10,000 = 5 yrs \$10,001 - \$20,000 = 10 yrs \$20,001 and above = 20 yrs
Mobile Home Repair (CDBG Only)	\$15,000 (double wide) \$10,000 (single wide)	\$25,000 (double wide after 1995) \$15,000 (double wide before 1995) \$15,000 (single wide after 1995) \$10,000 (single wide before 1995)

**Options:** 

- 1. Approve the State Housing Initiatives Partnership Local Housing Assistance Plan and the Department of Community Affairs Community Development Block Grant Housing Assistance Plan for Fiscal Years 2005-2008
- Do not approve the State Housing Initiatives Partnership Local Housing Assistance Plan and the Department of Community Affairs Community Development Block Grant Housing Assistance Plan for Fiscal Years 2005-2008
- 3. Board Direction.

Attachment # 2
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## Recommendation:

Option # 1.

#### **Attachments:**

- 1. Proposed State Housing Initiatives Partnership Local Housing Assistance Plan
- 2. Proposed DCA Community Development Block Grant Housing Assistance Plan
- 3. Minutes from the SHIP Advisory Council Meeting
- 4. Minutes from the CDBG Citizen's Task Force Meeting

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